

**Exhibit 6A**  
**Excerpts of Deposition of Alexandra Schwarzman**

13       The videotaped deposition of ALEXANDRA SCHWARZMAN,  
14       called by the City of Detroit for examination, taken  
15       pursuant to notice, agreement and by the provisions of  
16       the Federal Rules of Civil Procedure 26 and 30 and  
17       Federal Rules of Bankruptcy Procedure 7026 and 7030  
18       pertaining to the taking of depositions, taken before  
19       DEBORAH HABIAN, Registered Merit Reporter, Certified  
20       LiveNote Reporter, a Notary Public within and for the  
21       County of Cook, State of Illinois, and a Certified  
22       Shorthand Reporter of said State, at the offices of  
23       Jones Day, 77 West Washington Street, Chicago,  
24       Illinois, on Thursday, the 12th day of September,  
25       2013, at 12:00 p.m. CST.

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<p style="text-align: center;">Page 10</p> <p>1 the limited categories of information that  2 Miss Schwarzan -- Schwarzman may testify about, any  3 questions should be limited to these narrow  4 categories.</p> <p>5 Third and last, Miss Schwarzman is an  6 attorney at Kirkland &amp; Ellis who has been providing  7 legal advice to Syncora. So I want to be very clear  8 up front that by putting her up for this deposition we  9 are not waiving any protections afforded by the  10 attorney-client privilege or the work product doctrine  11 and she will not be providing answer -- or providing  12 answers to any questions that require her to divulge  13 any privileged or otherwise-protected information.</p> <p>14 Thanks, Deb.</p> <p>15 MS. KOVSKY-APAP: Okay. Well, we'll  16 respond to those objections in due course, I'm sure.</p> <p>17 MR. ARNAULT: Sure.</p> <p>18 ALEXANDRA SCHWARZMAN,  19 called as a witness herein by the City of Detroit,  20 having been first duly sworn, was examined and  21 testified as follows:</p> <p>22 EXAMINATION  23 BY MS. KOVSKY-APAP:</p> <p>24 Q. Okay. Ms. Schwarzman, as I mentioned  25 before my name is Deb Kovsky and my firm is special</p>	<p style="text-align: center;">Page 12</p> <p>1 Q. Okay. And if you don't ask me to  2 rephrase the question, I'm going to assume you  3 understand it.</p> <p>4 A. Okay.</p> <p>5 Q. And if you answer the question, I  6 will assume that you've understood what the question  7 is asking. Okay?</p> <p>8 A. Okay.</p> <p>9 Q. Is there any reason that you're  10 unable to testify fully and accurately today?</p> <p>11 A. No.</p> <p>12 Q. Are you taking any medications?</p> <p>13 A. No.</p> <p>14 Q. Are you under the influence of  15 alcohol or any drugs?</p> <p>16 A. No.</p> <p>17 Q. Are you represented here by counsel  18 today?</p> <p>19 A. Yes. Well, my firm.</p> <p>20 Q. Well, when Mr. Arnault introduced  21 himself for the record, he indicated that he  22 represents Syncora.</p> <p>23 A. That's correct.</p> <p>24 Q. And he does not represent you  25 personally; is that correct?</p>
<p style="text-align: center;">Page 11</p> <p>1 litigation counsel to the City of Detroit and I'll be  2 asking you some questions under oath today.</p> <p>3 My first question for you is, have  4 you ever been deposed before?</p> <p>5 A. No.</p> <p>6 Q. Have you ever attended a deposition?</p> <p>7 A. No.</p> <p>8 Q. So I just want to give you some real  9 basic what I call rules of road, just so that we're on  10 the same page and so that the court reporter is able  11 to get down your answers clearly.</p> <p>12 First, I -- I'd ask that you give  13 verbal answers to questions since the court reporter,  14 even though we're videotaping, this the court reporter  15 still needs to be able to record your verbal answers.</p> <p>16 If you need a break at any point or  17 if you need to consult with your colleague for any  18 reason, that's fine, just let us know. But what I'd  19 ask is if there was a pending question to first answer  20 the question then we can take a break. Okay?</p> <p>21 A. Okay.</p> <p>22 Q. If I ask a question and you don't  23 understand what I mean, will you ask me to rephrase  24 if?</p> <p>25 A. Yes.</p>	<p style="text-align: center;">Page 13</p> <p>1 A. Correct.</p> <p>2 Q. Okay. So you are not actually  3 represented by counsel today?</p> <p>4 A. Correct.</p> <p>5 Q. Okay. Did you have any discussions  6 with anyone in preparation for this deposition?</p> <p>7 A. Yes.</p> <p>8 Q. Who did you have discussions with?</p> <p>9 A. Mr. Arnault and Steve --</p> <p>10 MR. ARNAULT: Well, sorry. I'll just  11 interject for the record. We do -- I do represent  12 Miss Schwarzman in her -- into the capacity that she's  13 testifying today.</p> <p>14 MS. KOVSKY-APAP: Well, she's  15 testified that she believes she's not represented by  16 you, so...</p> <p>17 MR. ARNAULT: Well, I mean, we can  18 take this off the record or -- do you believe --  19 sorry. Go ahead.</p> <p>20 We can take this off the record  21 quickly.</p> <p>22 THE VIDEOGRAPHER: Now going off the  23 record at 12:07 p.m.</p> <p>24 (Recess taken from 12:07 p.m. to 12:09 p.m.)</p> <p>25 THE VIDEOGRAPHER: Now going back on</p>

<p style="text-align: right;">Page 30</p> <p>1 question again?</p> <p>2 BY MS. KOVSKY-APAP:</p> <p>3 Q. My question is, were you aware,</p> <p>4 before this was filed, that you might be called as a</p> <p>5 witness?</p> <p>6 MR. ARNAULT: You can answer "yes" or</p> <p>7 "no."</p> <p>8 THE WITNESS: Yes.</p> <p>9 BY MS. KOVSKY-APAP:</p> <p>10 Q. And how did you come by that</p> <p>11 awareness? * * *</p> <p>12 A. I don't want to reveal any</p> <p>13 communications.</p> <p>14 MR. ARNAULT: Yes. Objection. This</p> <p>15 is – objections, this would be internal Kirkland</p> <p>16 communications and work product.</p> <p>17 Instruct the witness not to answer.</p> <p>18 BY MS. KOVSKY-APAP:</p> <p>19 Q. Now, the first paragraph of this</p> <p>20 document makes reference to "the motion of Debtor for</p> <p>21 entry of an order: (I) authorizing the assumption</p> <p>22 about certain forbearance and optional termination</p> <p>23 agreement pursuant to Section 365(a) of the Bankruptcy</p> <p>24 Code (II) approving such agreement pursuant to</p> <p>25 Rule 9019 and (III) granting related relief."</p>	<p style="text-align: right;">Page 32</p> <p>1 testifying as to – as a rebuttal witness with respect</p> <p>2 to the motion.</p> <p>3 MR. ARNAULT: No. She's actually</p> <p>4 testifying as a rebuttal witness with respect to the</p> <p>5 negotiations that she had surrounding the TRO, and</p> <p>6 with respect to her declaration. She doesn't mention</p> <p>7 the forbearance agreement or the order.</p> <p>8 MS. KOVSKY-APAP: Well, this – this</p> <p>9 is – this is the Amended Disclosure of Rebuttal</p> <p>10 Witnesses and Documents In Advance of the September 23</p> <p>11 Hearing and it makes specific reference to the</p> <p>12 Assumption Motion. There is no hearing pending</p> <p>13 regarding a nondisclosure agreement.</p> <p>14 MR. ARNAULT: But if you look at what</p> <p>15 she is – what we specifically –</p> <p>16 MS. KOVSKY-APAP: We're going to move</p> <p>17 on.</p> <p>18 MR. ARNAULT: Okay.</p> <p>19 BY MS. KOVSKY-APAP:</p> <p>20 Q. So you decline to – to state whether</p> <p>21 you have an understanding of what relief the Debtor is</p> <p>22 seeking? * * *</p> <p>23 A. Correct.</p> <p>24 Q. Are you aware that your firm's</p> <p>25 clients, Syncora Guarantee Inc. and Syncora Capital</p>
<p style="text-align: right;">Page 31</p> <p>1 Do you see that?</p> <p>2 A. Yes.</p> <p>3 Q. Now do you understand in that</p> <p>4 reference, the Debtor that's being referred to is the</p> <p>5 City of Detroit?</p> <p>6 A. Yes.</p> <p>7 Q. Are you familiar with the motion that</p> <p>8 is referenced in the first paragraph of what I'll call</p> <p>9 this disclosure?</p> <p>10 A. Yes.</p> <p>11 Q. Have – and just because it's a real</p> <p>12 mouth-full of a motion, if I refer to that as "the</p> <p>13 Assumption Motion," would that be okay?</p> <p>14 A. Yes.</p> <p>15 Q. Okay. Have you reviewed the</p> <p>16 Assumption Motion?</p> <p>17 A. Yes.</p> <p>18 Q. Do you have an understanding of what</p> <p>19 relief the Debtor is seeking by the Assumption Motion?</p> <p>20 * * *</p> <p>21 MR. ARNAULT: Objection. This calls</p> <p>22 for work product information.</p> <p>23 I'll instruct the witness not to</p> <p>24 answer.</p> <p>25 MS. KOVSKY-APAP: Mr. Arnault, she's</p>	<p style="text-align: right;">Page 33</p> <p>1 Assurance Inc. have objected to the Assumption Motion?</p> <p>2 MR. ARNAULT: You can answer "yes" or</p> <p>3 "no."</p> <p>4 THE WITNESS: Yes.</p> <p>5 MS. KOVSKY-APAP: Unless you have an</p> <p>6 objection to state for the record, I'd appreciate it</p> <p>7 if you don't instruct the witness how to answer.</p> <p>8 MR. ARNAULT: Okay. But I'm</p> <p>9 telling – because you're wading into potentially –</p> <p>10 MS. KOVSKY-APAP: If you – if you</p> <p>11 want to state an objection for the record, you can</p> <p>12 state an objection for the record. But I have to ask</p> <p>13 you to stop instructing the witness how to answer my</p> <p>14 questions.</p> <p>15 MR. ARNAULT: Understood.</p> <p>16 BY MS. KOVSKY-APAP:</p> <p>17 Q. So just to ask the question again:</p> <p>18 You're aware that these two entities which I'll</p> <p>19 refer – convenience refer to as "Syncora," unless I'm</p> <p>20 specifically referring to one or the other of them.</p> <p>21 Is that okay if I refer to them collectively as</p> <p>22 "Syncora"?</p> <p>23 A. Yes.</p> <p>24 Q. You are aware that they have objected</p> <p>25 to the Assumption Motion, correct?</p>

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<p>1 speaks for itself.</p> <p>2 MS. KOVSKY-APAP: Your objection is</p> <p>3 noted counsel. Thank you.</p> <p>4 MR. ARNAULT: Um-hum.</p> <p>5 THE WITNESS: I believe that that's</p> <p>6 an accurate reading one can make.</p> <p>7 BY MS. KOVSKY-APAP:</p> <p>8 Q. Okay. And take a moment, please, to</p> <p>9 review paragraphs 49, 50 and 51, if you would.</p> <p>10 A. (Reviewing document.)</p> <p>11 Okay.</p> <p>12 Q. None of those reasons that are</p> <p>13 identified in those three paragraphs, those paragraphs</p> <p>14 that summarize the reasons for denial of the</p> <p>15 Assumption Motion, none of those has anything to do</p> <p>16 with the negotiation of an NDA; is that correct?</p> <p>17 * * *</p> <p>18 MR. ARNAULT: Objection, the document</p> <p>19 speaks for itself. And this would require the witness</p> <p>20 to make a legal conclusion which would invade the work</p> <p>21 product doctrine and attorney-client privilege.</p> <p>22 I instruct the witness not to answer.</p> <p>23 MS. KOVSKY-APAP: As far as the</p> <p>24 document speaking for itself, your objection is noted.</p> <p>25 BY MS. KOVSKY-APAP-APAP:</p>	<p>1 impairment of third-party rights is a clear basis to</p> <p>2 deny the Assumption Motion."</p> <p>3 Q. Now, none of those words that you</p> <p>4 just read included the words "nondisclosure</p> <p>5 agreement," correct?</p> <p>6 A. Correct.</p> <p>7 Q. And using your basic understanding of</p> <p>8 English and not any legal analysis, do any of those</p> <p>9 sentences refer to the negotiation of a nondisclosure</p> <p>10 agreement?</p> <p>11 MR. ARNAULT: Objection, form. And</p> <p>12 objection to the extent that you can separate out your</p> <p>13 basic understanding of English and legal analysis</p> <p>14 but --</p> <p>15 MS. KOVSKY-APAP: Mr. Arnault, I have</p> <p>16 to ask you to stop with the speaking objections.</p> <p>17 MR. ARNAULT: Well, you're trying to</p> <p>18 delve into what is clearly work product information.</p> <p>19 You're going after strategy information and her</p> <p>20 analysis of what the reasons are that Syncora's</p> <p>21 objecting to -- to the Assumption Motion. It's</p> <p>22 clearly work product information and I'm going to</p> <p>23 continue objecting and instructing the witness not</p> <p>24 to -- not to answer.</p> <p>25 BY MS. KOVSKY-APAP:</p>
<p>1 Q. However, to the extent that all I am</p> <p>2 asking is, looking at the words on the page, do you</p> <p>3 agree that there's nothing in those three paragraphs</p> <p>4 that references a nondisclosure agreement? * * *</p> <p>5 MR. ARNAULT: Objection. This would</p> <p>6 require analysis of those three paragraphs which is</p> <p>7 work product and attorney-client. And I instruct the</p> <p>8 witness not to answer.</p> <p>9 MS. KOVSKY-APAP: Mr. Arnault, I</p> <p>10 would hate to have to get the judge on the phone on</p> <p>11 such a simple matter, although he did invite us to do</p> <p>12 so.</p> <p>13 I am not asking her to analyze. If</p> <p>14 she -- fine. Let's do this -- we'll do it the hard</p> <p>15 way.</p> <p>16 BY MS. KOVSKY-APAP:</p> <p>17 Q. Miss Schwarzman, please read</p> <p>18 Paragraph 49 out loud.</p> <p>19 A. "First, the Forbearance Agreement</p> <p>20 purports to impair significant third-party rights and</p> <p>21 seeks to mute state law contractual disputes of third</p> <p>22 parties. Neither Section 365 nor Bankruptcy Rule 9019</p> <p>23 allow the Court to adjudicate complicated state law</p> <p>24 issues that bear on third parties who are not parties</p> <p>25 to the settlement or contract. Instead, the</p>	<p>1 Q. To the extent that you are able to</p> <p>2 answer based on your understanding of the English</p> <p>3 language -- which as a graduate of Vanderbilt and NYU,</p> <p>4 I assume is pretty good -- are you able to tell me</p> <p>5 whether any of these sentences that you just read in</p> <p>6 Paragraph 49 refer to the negotiation of a</p> <p>7 nondisclosure agreement?</p> <p>8 MR. ARNAULT: Objection, the document</p> <p>9 speaks for itself.</p> <p>10 THE WITNESS: I did not read the</p> <p>11 words "nondisclosure agreement."</p> <p>12 BY MS. KOVSKY-APAP:</p> <p>13 Q. Did you read any words that indicated</p> <p>14 a nondisclosure agreement without using those specific</p> <p>15 words? * * *</p> <p>16 MR. ARNAULT: Objection, form and,</p> <p>17 again, this would, to the extent you're using</p> <p>18 "indicated," this could reveal work product</p> <p>19 information.</p> <p>20 I'll instruct the witness not to</p> <p>21 answer.</p> <p>22 BY MS. KOVSKY-APAP:</p> <p>23 Q. Without revealing work product</p> <p>24 information, do you see any reference to a negotiation</p> <p>25 of a nondisclosure agreement? * * *</p>

<p style="text-align: right;">Page 78</p> <p>1 BY MS. KOVSKY-APAP:</p> <p>2 Q. Yes, you do have an understanding?</p> <p>3 A. Yes.</p> <p>4 Q. So there was presumably some benefit</p> <p>5 that Syncora would achieve by offering a proposal to</p> <p>6 the City? * * *</p> <p>7 MR. ARNAULT: I'm going to object on</p> <p>8 the grounds that, again, you're delving into her</p> <p>9 mental impressions and her communications with our</p> <p>10 client.</p> <p>11 So I'm going to instruct the witness</p> <p>12 not to answer.</p> <p>13 BY MS. KOVSKY-APAP:</p> <p>14 Q. Is Syncora in the business of</p> <p>15 altruism?</p> <p>16 A. You would have to ask them.</p> <p>17 MR. ARNAULT: Objection, form.</p> <p>18 BY MS. KOVSKY-APAP:</p> <p>19 Q. In your experience, does a business</p> <p>20 party typically make a proposal that does not benefit</p> <p>21 itself?</p> <p>22 MR. ARNAULT: Objection, form,</p> <p>23 foundation.</p> <p>24 BY MS. KOVSKY-APAP:</p> <p>25 Q. You can answer.</p>	<p style="text-align: right;">Page 80</p> <p>1 Q. You do have personal knowledge of</p> <p>2 that. And your – even though this is the – the</p> <p>3 whole reason for the existence of a potential</p> <p>4 nondisclosure agreement, which is the heart of your</p> <p>5 testimony, you are refusing to answer any questions</p> <p>6 regarding this potential proposal?</p> <p>7 A. Yes.</p> <p>8 MR. ARNAULT: And I'll note for the</p> <p>9 record that this – during the depositions of Mr. Orr</p> <p>10 and Mr. Buckfire, they refused to answer questions</p> <p>11 about the DIP or the DIP proposal on the grounds that</p> <p>12 it was commercially sensitive information and –</p> <p>13 MS. KOVSKY-APAP: Counsel, you really</p> <p>14 need to stop making talk speaking objections.</p> <p>15 We're not arguing the motion in front of the court</p> <p>16 right now. I'm asking questions of the witness.</p> <p>17 MR. ARNAULT: I'm simply telling you</p> <p>18 that we will be objecting on the same grounds.</p> <p>19 MS. KOVSKY-APAP: Counsel, if you</p> <p>20 have a objection to state for the record, by all</p> <p>21 means, do so.</p> <p>22 MR. ARNAULT: Okay. Objection. That</p> <p>23 question would call for commercially sensitive</p> <p>24 information that we will not be disclosing, much as</p> <p>25 the City did not disclose in its –</p>
<p style="text-align: right;">Page 79</p> <p>1 A. I suppose it depends on the business.</p> <p>2 Q. In your discussions with counsel for</p> <p>3 the City regarding a nondisclosure agreement, was this</p> <p>4 proposal -- this potential proposal was discussed?</p> <p>5 A. Not the terms.</p> <p>6 Q. But, yes, this pro -- was this</p> <p>7 potential proposal discussed in any form?</p> <p>8 A. The existence of a proposal was</p> <p>9 discussed.</p> <p>10 Q. Well, tell me what you said about the</p> <p>11 potential proposal.</p> <p>12 A. We wanted the City to keep the terms</p> <p>13 of the proposal confidential from the Swap</p> <p>14 Counterparties.</p> <p>15 Q. Did you give the City any indication</p> <p>16 of what the proposal might be about?</p> <p>17 A. I did not discuss what the proposal</p> <p>18 would be about, no.</p> <p>19 Q. Did Mr. Bennett discuss, in your</p> <p>20 hearing, anything about the proposal?</p> <p>21 A. No.</p> <p>22 Q. So you have no personal knowledge --</p> <p>23 well, let me ask you: Do you have any personal</p> <p>24 knowledge of what this potential proposal was to be?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 81</p> <p>1 MS. KOVSKY-APAP: Counsel, you can</p> <p>2 state your objection for the record. You do not need</p> <p>3 to make arguments. We're not deposing Mr. Orr today,</p> <p>4 nor are we arguing before the court.</p> <p>5 BY MS. KOVSKY-APAP:</p> <p>6 Q. Without going into what that</p> <p>7 potential proposal might actually contain, are you</p> <p>8 aware -- was -- are you aware if a written proposal</p> <p>9 was actually prepared?</p> <p>10 A. Yes.</p> <p>11 Q. Were you involved in the preparation</p> <p>12 of such a proposal?</p> <p>13 A. No.</p> <p>14 Q. Do you know who was involved?</p> <p>15 A. Yes.</p> <p>16 Q. Were there attorneys from Kirkland</p> <p>17 who were involved?</p> <p>18 A. Yes.</p> <p>19 Q. Do you know which attorneys were</p> <p>20 involved in the preparation of that proposal?</p> <p>21 A. Yes.</p> <p>22 Q. Who were they? * * *</p> <p>23 MR. ARNAULT: Objection. This delves</p> <p>24 into attorney-client privilege and work product</p> <p>25 information.</p>

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<p>1       Q. -- verbally for the record.</p> <p>2       A. No answer.</p> <p>3       Q. Okay.</p> <p>4       A. Can't disclose that.</p> <p>5       Q. Now, other than Paragraph 7 of the 6       draft NDA where you said you believed that a 7       resolution was reached, do you remember whether 8       resolution was reached on any of these other issues 9       that were raised?</p> <p>10      A. Yeah. I believe we came to a 11     resolution except for the two points that I referenced 12     in Paragraph 5 of my declaration.</p> <p>13      Q. What is the resolution with respect 14     to Syncora's desire to unilaterally terminate the NDA?</p> <p>15      A. I don't remember the specific 16     resolution.</p> <p>17      Q. Well, let's do this, then. I'm going 18     to give you a later draft and see if this will refresh 19     your recollection. It's being marked as Exhibit 5. 20     (Schwarzman Exhibit 5 was marked for ID.)</p> <p>21      MS. KOVSKY-APAP: For those on the 22     phone, we're handing the witness a document that's 23     also entitled "Confidentiality Agreement," dated July 24     10th, 2013. And I'm going to see what I did with my 25     copy of it.</p>	<p>1       A. Correct.</p> <p>2       Q. Okay. Do you re- -- looking at this 3       document, are you able to tell how that was resolved?</p> <p>4       A. I'll go through the whole thing. (Reviewing document.)</p> <p>6       I don't see anything in here.</p> <p>7       Q. So you don't see any unilateral 8       termination provision?</p> <p>9       A. No. If you can point me to it, if 10      I'm missing it.</p> <p>11      Q. Well, I didn't see one either. I 12      just wanted to see if this refreshed your recollection 13      of -- of what was negotiated.</p> <p>14      So your client agreed to a proposed 15     NDA that did not have the unilateral termination 16     provision that was initially requested, correct?</p> <p>17      A. That's what it appears to be.</p> <p>18      Q. And with respect to the 19     confidentiality restrictions lifting 90 days after 20     termination of the NDA?</p> <p>21      A. I don't see those here either.</p> <p>22      Although I will note that this is not the final 23     version of the NDA, so...</p> <p>24      Q. Well, was there a final version that 25     was executed by all parties?</p>
<p style="text-align: center;">Page 107</p> <p>1       THE WITNESS: (Reviewing document.)</p> <p>2     BY MS. KOVSKY-APAP:</p> <p>3       Q. Just let me know when you're done 4       reviewing it.</p> <p>5       A. Okay.</p> <p>6       Q. And first, let me ask you: Do you 7       recognize this document?</p> <p>8       A. Yes.</p> <p>9       Q. What is it?</p> <p>10      A. This looks like a later in time draft 11     of the NDA.</p> <p>12      Q. And this would be after the 13     resolution of most of the issues that we've talked 14     about so far, correct?</p> <p>15      A. I think so. Although it's not 16     red-lined, so I'd have to go searching for all the 17     terms, but I would imagine.</p> <p>18      Q. Well, you said that by the end of the 19     call on July 2nd everything except two issues were 20     resolved, right?</p> <p>21      A. Correct.</p> <p>22      Q. And so leaving those two issues 23     aside, one of the issues that you said was resolved 24     was the unilateral termination that Syncora was 25     requesting, correct?</p>	<p style="text-align: center;">Page 109</p> <p>1       A. By Syncora. The City never returned 2       it.</p> <p>3       Q. Okay. How are you able to tell that 4       this was not the final version?</p> <p>5       A. Because it's not the signature block 6       that's on the final version.</p> <p>7       Q. Okay. Let me see I may have that 8       one.</p> <p>9       MS. KOVSKY-APAP: Let's mark this as 10      Number 6. (Schwarzman Exhibit 6 was marked for ID.)</p> <p>11      MS. KOVSKY-APAP: We're marking as 12     Exhibit 6 a "Confidentiality Agreement," also, dated 13     as July 10th, 2013. It is -- it's a version that is 14     appears to have two Syncora entities on the signature 15     block, executed by Syncora.</p> <p>16      THE WITNESS: (Reviewing document.)</p> <p>17     BY MS. KOVSKY-APAP:</p> <p>18      Q. Is this what, in your mind, would be 19     the last version that was exchanged between the 20     parties?</p> <p>21      A. Yes.</p> <p>22      Q. And does this version have a 23     unilateral termination provision?</p> <p>24      A. You don't happen to have a red-line,</p>

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<p>1 BY MS. KOVSKY-APAP:</p> <p>2 Q. In the end, since Syncora made a 3 proposal along the same lines as the proposal that it 4 was originally contemplating with respect to the NDA, 5 it went ahead and made the proposal without an NDA. 6 So ultimately the NDA was kind of irrelevant, wasn't 7 it?</p> <p>8 A. Well, there's two questions in there. 9 But as to irrelevance, I'm going to say, no, it was 10 not irrelevant.</p> <p>11 Q. So Syncora couldn't make its proposal 12 without the NDA?</p> <p>13 A. I don't want to reveal any 14 confidential communications, but suffice it to say 15 it's very different circumstances between the initial 16 time of what was going on here and what was happening 17 in the world when Syncora ultimately made the 18 proposal.</p> <p>19 Q. Yeah. But ultimately, Syncora was 20 able to make its proposal without benefit of any NDA 21 being signed.</p> <p>22 A. Correct.</p> <p>23 Q. Okay.</p> <p>24 MS. KOVSKY-APAP: I'd like to go off 25 the record for a couple of minutes and take a short</p>	<p>1 data room; is that correct?</p> <p>2 A. Yes.</p> <p>3 Q. And would it -- well, I'll just 4 refresh your recollection.</p> <p>5 MS. KOVSKY-APAP: Let's have this 6 marked as 7. 7 (Schwarzman Exhibit 7 was marked for ID.)</p> <p>8 BY MS. KOVSKY-APAP:</p> <p>9 Q. I've handed you what's titled 10 "Confidentiality Agreement." It's dated July 9th. Do 11 you recognize this as the confidentiality agreement 12 related to the Data Room?</p> <p>13 A. Yeah.</p> <p>14 Q. And if you turn to the last page 15 where the signature blocks are --</p> <p>16 A. Um-hum.</p> <p>17 Q. -- you see that this was executed by 18 the City of Detroit and Syncora Capital Assurance Inc.</p> <p>19 A. Yes.</p> <p>20 Q. So Jones Day was not a party to this 21 agreement, correct?</p> <p>22 A. They are who I negotiated this 23 agreement with. But they did not sign the agreement.</p> <p>24 Q. Are you suggesting that, 25 notwithstanding the fact that they didn't sign the</p>
<p>1 break.</p> <p>2 THE VIDEOGRAPHER: Sure. This ends 3 Disk Number 2. Now going off the record at 2:14 p.m. 4 (Recess taken from 2:14 p.m. to 2:38 p.m.)</p> <p>5 THE VIDEOGRAPHER: This begins Disk 6 Number 3. Now going back on the record at 2:38 p.m.</p> <p>7 BY MS. KOVSKY-APAP:</p> <p>8 Q. Miss Schwarzman, do you recall that 9 you testified earlier that you have negotiated two 10 NDAs in your career so far?</p> <p>11 A. Correct.</p> <p>12 Q. And you said that Jones Day was the 13 counterparty to both of those NDAs; is that correct?</p> <p>14 A. Correct.</p> <p>15 Q. By "counterparty," do you mean the 16 signatory?</p> <p>17 A. By "counterparty," I mean the firm 18 with which I was negotiating.</p> <p>19 Q. Okay. So it's not your testimony 20 that Jones Day actually ever signed an NDA with 21 Syncora?</p> <p>22 A. No. I don't remember who signed the 23 other one. They never signed this.</p> <p>24 Q. Okay. And the other NDA was with 25 respect to what has been referred to as the City's</p>	<p>1 agreement, they were somehow a party to the agreement?</p> <p>2 A. No.</p> <p>3 Q. So Jones Day was not a party to this 4 agreement; is that correct?</p> <p>5 A. Correct.</p> <p>6 Q. Thank you.</p> <p>7 Earlier I asked you some questions 8 about what has been called the "forbearance and 9 optional termination agreement."</p> <p>10 Do you remember that?</p> <p>11 A. Yeah.</p> <p>12 Q. And you're aware of what agreement 13 I'm referring to when I say "forbearance and optional 14 termination agreement"?</p> <p>15 A. Yes.</p> <p>16 Q. Is my understanding correct that you 17 will refuse, on the basis of attorney-client privilege 18 and/or work product, to testify any further than 19 you've already done regarding your understanding of 20 what that agreement means and what its purpose is?</p> <p>21 A. Correct.</p> <p>22 MS. KOVSKY-APAP: Okay. I will pass 23 the witness, if anyone else wants to ask any 24 questions. I think most of the people on the phone 25 indicated they did not.</p>